



# Joint Agency Workshop on California's Drought



**Commissioner Catherine Sandoval**  
**California Public Utilities Commission**

**August 28, 2015**





# CPUC Jurisdiction

- The Commission has jurisdiction over investor-owned energy, water, and telecommunication utilities, common carriers including some pipelines, rail safety, and other utilities and services such as Transportation Network Carriers.
- Jurisdiction over energy providers serving ~2/3 of the state's energy ratepayers
- Jurisdiction over water providers serving ~ 19% of the water ratepayers
- Support for communications and broadband deployment
- Consumer education, low income assistance, and public safety elements across those sectors.





# CPUC Energy Efficiency Funding

- CPUC Energy Efficiency Programs: Approximately \$1 billion/year
- CPUC Low Income Energy Programs (Energy Savings Assistance Program (ESAP): Approximately \$335 million/year
- CPUC Low Income Water Ratepayer Assistance Programs





# CPUC Water-Energy Nexus Proceeding, Cost Effectiveness, Draft Calculator

- Goal: Determine the cost effectiveness of joint water energy projects for investor owned utility ratepayers
  - Estimate the IOU and non-IOU embedded energy savings that result from joint water-energy programs.
  - Assess the benefits that accrue to energy utilities and to water utilities from programs and measures that save both energy and water.
  - Determine if incentivizing measures and programs that save both energy and water is a cost effective use of IOU energy utility funds, and examine other issues and opportunities stemming from the water-energy nexus.





# Finalizing the Water-Energy Nexus Tools

- Draft tools were released for public comment on April 29, 2015. Available here:  
<http://www.cpuc.ca.gov/PUC/energy/Energy+Efficiency/Water-Energy+Nexus+Programs.htm>
- Tool allows evaluation of a measure or suite of measures per energy intensity information at hydrologic basin or more localized level.
- Party comments support adoption of the tool.
- Proposed Decision issued on August 17<sup>th</sup> for comment, Commission scheduled to vote on the Proposed Decision on September 17<sup>th</sup>.





# Sample Water-Energy Nexus Cost Effectiveness Tool Run

**Example Run by SCE:** SCE's Water Leak Detection Pilot: E3 EE Model vs. W-E Cost Effectiveness Model (w/o allocation of budget costs)

City	Gross Measure Cost	kWh Savings	kW Savings	TRC
City 1	\$15,080.00	278.3	0.11	0.01
City 2	\$34,788.00	18349.7	6.40	0.28
City 3	\$20,221.00	6840.4	2.51	0.18
City 4	\$28,101.00	10027.3	3.36	0.19
City 5	\$27,834.00	914.2	0.30	0.02
<b>TOTAL</b>	<b>\$126,024.00</b>	<b>36,409.9</b>	<b>12.68</b>	

Water Loss Cost Effectiveness Using CPUC-Navigant Draft Calculator Newest Version

Scenario	Gallons of Water Saved	Avoided IOU Electric Energy Cost (2014\$)	Avoided Water & Wastewater Capacity Cost (2014\$)	Combined Total Resource Cost Test
City 1	530,000	\$641.66	\$17,436.29	1.28
City 2	21,550,000	\$26,090.08	\$708,966.24	22.59
City 3	11,040,000	\$13,365.87	\$363,201.27	19.91
City 4	8,410,000	\$10,181.79	\$276,677.78	10.91
City 5	530,000	\$641.66	\$17,436.29	0.69
<b>TOTAL</b>	<b>42,060,000</b>	<b>\$50,921.06</b>	<b>\$1,383,717.87</b>	<b>12.17</b>





# **R. 11-11-008 Balanced Rates OIR on Water Ratemaking Policies**

Phase II will address:

- Water Rates & Conservation
- Accounting Mechanisms: WRAM & MCBA
- Customer impacts
- Drought emergency
- Technology







Rulemaking seeks to balance infrastructure investment and rates to achieve safe, reliable service, at just and reasonable rates.







# Water Meters

- Most water meters are analog.
- Few digital meters deployed.
- Communications backbone necessary to collect, read, and analyze digital signal.
- Water/Energy Nexus Proceeding proposes pilot for Energy Utilities to provide Water Utilities access to Smart Meter data collection backbone as an Energy Efficiency measure.





# Communications and Water

- Communications facilities and services are necessary for management of water and energy.
- Infrastructure deployment issues, particularly in rural areas, hamper use of communications to manage water and energy, and pose public safety issues in drought and fire emergencies.
- Encourage adoption of communications technologies where deployed.
- Identify gaps, effect of gaps, and barriers to deployment and adoption.





**Orleans** Microwave tower, Telephone Central Office facilities critical for emergency Cell on Wheels (COW) connection & plain old telephone service to town and fire camp



Agricultural recycling control center, Redding







The Old Way



The New Way

Autonomous  
Vehicle at  
Santa Clara  
University

